

[Translation]

The following statements are an English-language translation of the original Japanese-language document for your reference purpose only. In case that there is any discrepancy between the original Japanese version and this English version, the Japanese version shall prevail. (All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

November 11, 2025

Consolidated Second Quarter Financial Statements

(For the fiscal year ending March 31, 2026)

Name of listed company: **JGC HOLDINGS CORPORATION**

Stock exchange: **Tokyo**

Code number: **1963**

Representative

Tel: **045-682-1111**

Title: **Representative Director, Chairman, President & Chief Executive Officer (CEO)**

URL: **https://www.jgc.com**

Name: **Masayuki Sato**

Contact

Title: **Executive Officer**

Name: **Shinichi Taguchi**

Scheduled Date of Payment of Dividends:-

Financial Results Supplement Materials: Yes

Financial Results Presentation Meeting: Yes (for analysts and institutional investors)

Note: All amounts are rounded down to the nearest million yen.

1. Consolidated financial results for 2Q of ending March 31, 2026 (April 1, 2025 - September 30, 2025)

(1) Consolidated financial results

Note: Percentage indicates changes from the previous term.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
2Q of ending March 31, 2026	381,254	(6.3)	15,765	26.9	21,145	9.2	11,661	(8.7)
2Q of ended March 31, 2025	406,708	0.9	12,420	(4.5)	19,356	(23.8)	12,772	1.5

Note: Comprehensive income (millions of yen):
 2Q of fiscal year ending March 31, 2026: 29,764 (78.3%)
 2Q of fiscal year ended March 31, 2025: 16,695 (6.6%)

	Earnings per share	Earnings per share (diluted)
	(Yen)	(Yen)
2Q of fiscal year ending March 31, 2026	48.24	48.22
2Q of fiscal year ended March 31, 2025	52.87	52.84

(2) Consolidated financial position

	Total assets	Total net assets	Equity ratio
	(Millions of yen)	(Millions of yen)	(%)
As of September 30, 2025	791,704	412,556	51.9
As of March 31, 2025	784,175	392,260	49.8

Reference: Equity (millions of yen):
 As of September 30, 2025: 411,044
 As of March 31, 2025: 390,656

2. Dividends

	Annual dividends per share (Yen)				
	1Q term-end	2Q term-end	3Q term-end	Term-end	Annual
Fiscal year ended March 31, 2025	—	—	—	40.00	40.00
Fiscal year ending March 31, 2026	—	—			
Fiscal year ending March 31, 2026 (Forecasts)			—	40.00	40.00

Note: Revision to the latest forecast announcement: None

3. Earnings forecasts for fiscal year ending March 31, 2026 (April 1, 2025 - March 31, 2026)

Note: Percentage indicates changes from the previous term.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full Year	770,000	(10.3)	28,000	—	38,000	235.7	28,000	—	115.83

Note: Revision to the latest forecast announcement: Yes

4. Others

(1) Important changes in scope of consolidation

(Newly added) None (Excluded) None

(2) Adoption of simplified accounting methods or special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes of accounting principles, procedures and presentation

(a) Changes due to revisions of accounting standards: None

(b) Changes other than the above (a): None

(c) Changes in accounting estimates: None

(d) Restatement: None

(4) Number of shares outstanding

(a) Number of shares outstanding at term-end (including treasury shares):

As of September 30, 2025:	259,793,008	As of March 31, 2025:	259,618,792
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(b) Number of treasury shares at term-end:

As of September 30, 2025:	17,941,853	As of March 31, 2025:	17,940,716
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(c) Average number of shares outstanding during this period:

2Q of fiscal year ending March 31, 2026:	241,726,916	2Q of fiscal year ended March 31, 2025	241,580,379
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(i) This document is unaudited by certified public accountants or audit firms.

(ii) The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties.

Actual results may vary significantly from forecasts due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations. For the assumptions underlying the performance forecasts, please refer to the "Outline of Financial Results 2Q FY2025" disclosed on TDnet today.

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1. Consolidated Financial Statements and notes

(1) Consolidated Balance Sheets

Consolidated Balance Sheet

	As of March 31, 2025	As of September 30, 2025
	(Millions of yen)	(Millions of yen)
ASSETS		
Current assets		
Cash and deposits	333,701	304,771
Notes receivable, trade receivables, contract assets and other	154,314	152,862
Costs on construction contracts in progress	15,212	20,171
Merchandise and finished goods	8,149	7,567
Work in process	3,887	5,423
Raw materials and supplies	5,162	5,186
Accounts receivable - other	30,175	40,800
Other	11,460	16,252
Allowance for doubtful accounts	(796)	(745)
Total current assets	561,267	552,291
Non-current assets		
Property, plant and equipment		
Buildings and structures	84,191	84,275
Machinery, vehicles, tools, furniture and fixtures	84,371	84,666
Land	24,993	24,883
Leased assets	2,917	2,980
Construction in progress	3,220	5,337
Accumulated depreciation	(111,396)	(113,801)
Total property, plant and equipment	88,296	88,341
Intangible assets		
Software	14,034	14,508
Other	200	163
Total intangible assets	14,234	14,672
Investments and other assets		
Investment securities	80,386	100,089
Long-term loans receivable	11,248	11,292
Retirement benefit asset	7,134	7,152
Deferred tax assets	24,756	21,853
Other	21,236	20,101
Allowance for doubtful accounts	(24,385)	(24,088)
Total investments and other assets	120,376	136,399
Total non-current assets	222,907	239,413
Total assets	784,175	791,704

	As of March 31, 2025	As of September 30, 2025
	(Millions of yen)	(Millions of yen)
LIABILITIES		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	126,436	95,312
Short-term borrowings	250	251
Current portion of bonds payable	10,000	-
Current portion of long-term borrowings	752	760
Income taxes payable	2,556	11,773
Contract liabilities	105,097	138,663
Provision for bonuses	8,996	9,094
Provision for bonuses for directors (and other officers)	209	60
Provision for loss on construction contracts	35,707	26,447
Provision for warranties for completed construction	1,236	1,018
Other	55,685	45,764
Total current liabilities	346,928	329,147
Non-current liabilities		
Bonds payable	10,000	20,000
Long-term borrowings	13,887	13,426
Retirement benefit liability	12,439	11,421
Provision for retirement benefits for directors (and other officers)	212	165
Provision for share-based payments	-	70
Deferred tax liabilities	3,730	818
Deferred tax liabilities for land revaluation	1,028	1,028
Other	3,686	3,068
Total non-current liabilities	44,985	50,001
Total liabilities	391,914	379,148
NET ASSETS		
Shareholders' equity		
Share capital	23,885	23,994
Capital surplus	25,465	25,573
Retained earnings	340,488	342,483
Treasury shares	(25,486)	(25,486)
Total shareholders' equity	364,353	366,565
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,886	40,219
Deferred gains or losses on hedges	1,180	821
Revaluation reserve for land	(10,955)	(10,955)
Foreign currency translation adjustment	12,141	10,745
Remeasurements of defined benefit plans	4,050	3,648
Total accumulated other comprehensive income	26,303	44,479
Non-controlling interests	1,604	1,511
Total net assets	392,260	412,556
Total liabilities and net assets	784,175	791,704

(2) Consolidated Statement of Operations and Comprehensive Income

Consolidated Statement of Operations

	2Q of fiscal year ended March 31, 2025 (Apr. 1, 2024 - Sep. 30, 2024)	2Q of fiscal year ending March 31, 2026 (Apr. 1, 2025 - Sep. 30, 2025)
	(Millions of yen)	(Millions of yen)
Net sales	406,708	381,254
Cost of sales	379,341	350,977
Gross profit	27,366	30,277
Selling, general and administrative expenses	14,945	14,511
Operating profit	12,420	15,765
Non-operating income		
Interest income	8,574	6,022
Dividend income	420	1,779
Share of profit of entities accounted for using equity method	1,412	921
Other	788	491
Total non-operating income	11,196	9,215
Non-operating expenses		
Interest expenses	646	579
Foreign exchange losses	3,415	3,120
Other	198	134
Total non-operating expenses	4,260	3,835
Ordinary profit	19,356	21,145
Extraordinary losses		
Loss on retirement of non-current assets	27	77
Total extraordinary losses	27	77
Profit before income taxes	19,329	21,068
Income taxes	6,570	9,433
Profit	12,758	11,635
Loss attributable to non-controlling interests	(13)	(26)
Profit attributable to owners of parent	12,772	11,661

Consolidated Statement of Comprehensive Income

	2Q of ended March 31, 2025 (Apr. 1, 2024 - Sep. 30, 2024)	2Q of ending March 31, 2026 (Apr. 1, 2025 - Sep. 30, 2025)
	(Millions of yen)	(Millions of yen)
Profit	12,758	11,635
Other comprehensive income		
Valuation difference on available-for-sale securities	(203)	3,530
Deferred gains or losses on hedges	(5,392)	94
Foreign currency translation adjustment	1,108	(815)
Remeasurements of defined benefit plans	(295)	(392)
Share of other comprehensive income of entities accounted for using equity method	8,718	15,712
Total other comprehensive income	3,936	18,129
Comprehensive income	16,695	29,764
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,858	29,837
Comprehensive income attributable to non-controlling interests	(163)	(73)

(3) Consolidated Statement of Cash Flows

Consolidated Statement of Cash Flows

	2Q of fiscal year ended March 31, 2025 (Apr. 1, 2024 - Sep. 30, 2024) (Millions of yen)	2Q of fiscal year ending March 31, 2026 (Apr. 1, 2025- Sep. 30, 2025) (Millions of yen)
Cash flows from operating activities		
Profit before income taxes	19,329	21,068
Depreciation	4,940	5,418
Increase (decrease) in allowance for doubtful accounts	(874)	(54)
Interest and dividend income	(8,995)	(7,801)
Interest expenses	646	579
Foreign exchange losses (gains)	1,962	2,423
Share of loss (profit) of entities accounted for using equity method	(1,412)	(921)
Decrease (increase) in notes receivable, trade receivables, contract assets and other	48,683	(906)
Decrease (increase) in inventories	(3,302)	(6,080)
Increase (decrease) in notes and accounts payable - trade	(18,820)	(30,119)
Increase (decrease) in retirement benefit liability	311	(980)
Increase (decrease) in provision for loss on construction contracts	(12,777)	(8,003)
Increase (decrease) in contract liabilities	21,700	35,367
Decrease (increase) in accounts receivable - other	(6,145)	(14,823)
Increase (decrease) in accounts payable - other	2,434	(11,810)
Other, net	3,441	(4,139)
Subtotal	51,122	(20,785)
Interest and dividends received	10,306	9,999
Interest paid	(618)	(421)
Income taxes refund (paid)	(2,504)	3,628
Cash flows from operating activities	58,307	(7,578)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,863)	(5,278)
Purchase of investment securities	(1,571)	(1,150)
Purchase of intangible assets	(2,135)	(2,320)
Proceeds from capital reduction of investments	367	397
Other, net	(4)	387
Cash flows from investing activities	(8,207)	(7,964)
Cash flows from financing activities		
Repayments of long-term borrowings	(395)	(389)
Proceeds from issuance of bonds	—	10,000
Redemption of bonds	—	(10,000)
Dividends paid	(9,671)	(9,644)
Dividends paid to non-controlling interests	(18)	(27)
Net increase (decrease) in short-term borrowings	(4,290)	1
Other, net	(345)	(289)
Cash flows from financing activities	(14,722)	(10,349)
Effect of exchange rate change on cash and cash equivalents	(3,753)	(2,682)
Net increase (decrease) in cash and cash equivalents	31,623	(28,574)
Cash and cash equivalents at beginning of period	324,507	332,761
Cash and cash equivalents at end of period	356,130	304,186

(4) Notes to Consolidated Financial Statements

(Application of specific Accounting Treatment for Preparing Consolidated Financial Statement)

(Tax expense calculation)

After applying tax effect accounting to profit before income taxes for the fiscal year, which includes this second quarter ended September 30, 2025, the Company makes a reasonable estimate of the effective tax rate and multiplies the profit before income taxes by that estimated effective tax rate.

(Segment Information, etc.)

2Q of fiscal year ended March 31, 2025 (April 1, 2024 - September 30, 2024)

(Millions of yen)

	Reportable segment			Others	Total	Adjustment	Consolidated
	Total Engineering	Functional Materials Manufacturing	Subtotal				
Net sales							
Sales to external customers	378,214	26,530	404,745	1,963	406,708	—	406,708
Inter-segment sales or transfers	1	0	1	1,725	1,726	(1,726)	—
Total	378,216	26,530	404,746	3,688	408,435	(1,726)	406,708
Segment profit	11,806	3,796	15,603	540	16,144	(3,723)	12,420

Notes:

1. "Others" includes business activities of consulting, management of real estate and water desalination.
2. Adjustments to segment profit include corporate expenses not allocated to individual segments and the elimination of transactions between segments.
3. Segment profit is reconciled to operating profit on the consolidated statement of income.

2Q of fiscal year ending March 31, 2026 (April 1, 2025- September 30, 2025)

(Millions of yen)

	Reportable segment			Others	Total	Adjustment	Consolidated
	Total Engineering	Functional Materials Manufacturing	Subtotal				
Net sales							
Sales to external customers	350,409	28,556	378,965	2,288	381,254	—	381,254
Inter-segment sales or transfers	1	1	2	1,541	1,544	(1,544)	—
Total	350,410	28,558	378,968	3,830	382,799	(1,544)	381,254
Segment profit	14,858	3,859	18,717	546	19,264	(3,498)	15,765

Notes:

1. "Others" includes business activities of consulting, management of real estate and water desalination.
2. Adjustments to segment profit include corporate expenses not allocated to individual segments and the elimination of transactions between segments.
3. Segment profit is reconciled to operating profit on the consolidated statement of income.

(Notes in the Event of Significant Changes in Shareholder's Equity)

Not applicable

(Going Concern)

Not applicable.

3. Others

Sales, Orders Received and Backlog (Consolidated)

(Millions of yen)

		March 31, 2025	September 30, 2025		
Business area		Outstanding Contracts	New Contracts	Sales	Outstanding Contracts
Total Engineering Business		1,404,603	102,053	350,409	1,113,669
Domestic	Energy Transition				
	Oil and gas	10,842	20,438	16,760	14,520
	LNG	—	—	—	—
	Chemical	3,018	5,438	4,158	4,298
	Clean energy	52,735	12,179	23,331	41,557
	Others	313	1,173	366	1,121
	Subtotal	66,910	39,229	44,617	61,497
	Healthcare & life sciences	57,198	9,384	18,184	48,398
	Industrial & urban infrastructure	7,748	6,441	3,880	10,308
	Others	53	64	55	61
	Domestic Subtotal	131,910	55,119	66,737	120,266
Overseas	Energy Transition				
	Oil and gas	347,788	(4,107)	93,247	243,275
	LNG	435,118	43,434	126,881	352,562
	Chemical	92,161	2,619	50,496	38,858
	Clean energy	2,611	991	2,380	1,209
	Others	392,232	411	7,480	354,913
	Subtotal	1,269,911	43,350	280,486	990,820
	Healthcare & life sciences	625	1,582	1,685	12
	Industrial & urban infrastructure	1,913	2,215	1,471	2,569
	Others	242	(214)	27	0
	Overseas Subtotal	1,272,693	46,933	283,671	993,402
Functional Materials Manufacturing Business		7,167	29,574	28,556	8,103
Other Businesses		1,080	5,979	2,288	4,749
Grand Total		1,412,852	137,608	381,254	1,126,522

Notes:

1. The figure for outstanding contracts for "Total Engineering Business" at the end of the second quarter of the current consolidated fiscal year includes a downward adjustment of ¥42,578 million due to foreign currency translation, amendments and changes in contract amounts and others in the second quarter of the current consolidated fiscal year.
2. The figure for outstanding contracts for "Functional Materials Manufacturing Business" at the end of the second quarter of the current consolidated fiscal year includes a downward adjustment of ¥82 million due to foreign currency translation, amendments and changes in contract amounts and others in the second quarter of the current consolidated fiscal year.
3. The figure for outstanding contracts for "Other Businesses" at the end of the second quarter of the current consolidated fiscal year includes a downward adjustment of ¥21 million due to foreign currency translation, amendments and changes in contract amounts and others in the second quarter of the current consolidated fiscal year.